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Philippines

Market Development Reports

Pedigree Dry Dog and Cat Food Recalled from Market

2004

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Report Highlights:

In March 2004, Masterfoods Philippines, Inc., the local distributor of Pedigree brand of dog and cat food, announced a voluntary recall of all Pedigree dry dog and cat food due to food safety problems originating from its Thailand plant. Pedigree is a top pet food brand in the Philippines and led the market prior to the recall with a 70 percent share of dry dog and cat food sold through supermarkets. In the wake of the Pedigree recall, Philippine buyers are actively seeking alternative brands including new pet foods from the United States. U.S. pet food exports to the Philippines have grown significantly in recent years, jumping 12 percent in 2003 to a record \$7.2 million.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Manila [RP1]
[RP]

Masterfood Philippines, Inc., the local distributor of the Pedigree brand of pet food, voluntarily recalled all Pedigree dry dog and cat food originating from its plant in Thailand. The recall was in response to a spate of renal diseases in dogs fed Pedigree products throughout Southeast Asia, Taiwan, and South Korea. Toxins produced by a mold found in the auxiliary bulk storage system of the Thailand Pedigree plant was identified as the source of the problem.

Prior to the recall, Pedigree was the top pet food brand in the Philippines with a commanding 70 percent share of all dry dog and cat food sold through supermarkets. The voluntary recall left a huge gap in supermarket shelves, which the supermarkets are still working to fill.

The recall has created new opportunities for U.S. pet food suppliers to enter the Philippine market. While Masterfoods is replacing recalled product with new supplies, retailers report reduced consumer confidence in the brand and predict it may take time before Pedigree regains its status as a market leader.

U.S. pet food exports to the Philippines have been on the rise in recent years with steady growth in sales and number of U.S. brands in the market. Sales in 2003 reached a record \$7.2 million, double the level in 1998. Growing awareness of pet foods' superior nutrition over table scraps among upscale pet owners is fueling the growth and continued gains are expected. In the wake of the Pedigree recall, buyers are focusing on U.S. pet foods, partly due to their reputation for food safety and quality assurance compared to other foreign suppliers to the Philippine market.